

**E-FILED ON AUGUST 3, 2006**

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11 Attorneys for Debtors and Debtors-in-Possession

12  
**UNITED STATES BANKRUPTCY COURT  
 DISTRICT OF NEVADA**

13  
 14 In re:  
 USA COMMERCIAL MORTGAGE COMPANY,

Debtor.

Case No. BK-S-06-10725 LBR  
 Case No. BK-S-06-10726 LBR  
 Case No. BK-S-06-10727 LBR  
 Case No. BK-S-06-10728 LBR  
 Case No. BK-S-06-10729 LBR

15  
 16 In re:  
 USA CAPITAL REALTY ADVISORS, LLC,

Debtor.

Chapter 11

17  
 18 In re:  
 USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,

Debtor.

**Jointly Administered Under  
 Case No. BK-S-06-10725 LBR**

19  
 20 In re:  
 USA CAPITAL FIRST TRUST DEED FUND, LLC,

Debtor.

**STATUS AND AGENDA FOR  
 AUGUST 4, 2006 HEARINGS**

21  
 22 In re:  
 USA SECURITIES, LLC,

Debtor.

23  
 24 Affects:

- All Debtors
- USA Commercial Mortgage Company
- USA Capital Realty Advisors, LLC
- USA Capital Diversified Trust Deed Fund, LLC
- USA Capital First Trust Deed Fund, LLC
- USA Securities, LLC

Date: August 4, 2006  
 Time: 9:30 a.m.

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1           1. **Debtors' Motion To Temporarily Hold Funds Pending A Determination Of**  
 2           **The Proper Recipients, And Memorandum Of Points And Authorities** (Affects USA  
 3           Commercial Mortgage) (the "Hold Funds Motion") filed by Debtors. The Hold Funds Motion  
 4           requests an Order granting USACM the authority to continue to collect and hold payments and  
 5           loan payoffs pending the prompt investigation and analysis by the Debtors of various issues as set  
 6           forth in this motion.

7	Opposition Filed By:	Date	Docket No.
8	Stanley Alexander Trust, et al	May 18, 2006	281
9	James Corison (Limited Opposition)	May 18, 2006	285
10	Richard McKnight	May 22, 2006	323
11	Gregory Walch	May 23, 2006	340
12	Nicholas Santoro	May 23, 2006	342
13	Canepa Group	May 24, 2006	345
14	Norman Kiven	May 25, 2006	366
15	Direct Lenders-Beneficiaries	May 26, 2006	377
16	Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (Statement)	May 26, 2006	379
17	Official Committee of Holders of Executory Rights through USACMC	May 26, 2006	384
18	Mountain West Mortgage, LLC (Joinder in Oppositions)	May 28, 2006	396
19	McKnight Supplemental	June 9, 2006	569
20	Official Committee of Unsecured Creditors For USA Commercial Mortgage Company (Joinder)	June 9, 2006	573
21	USA Commercial Mortgage (Reply)	June 13, 2006	641

1           2. **Motion For Relief From Stay Property: Various Real Property** (Affects USA  
 2 Commercial Mortgage) (the “Direct Lender Lift Stay Motion”) filed by Janet L. Chubb on behalf  
 3 of Direct Lenders. The Direct Lender Lift Stay Motion seeks relief from the automatic stay to  
 4 terminate USA Commercial as the loan servicing agent, pursuant to the terms of their Loan  
 5 Servicing Agreement.

Opposition Filed By:	Date	Docket No.
Debtors and Debtors-In-Possession	May 26, 2006	387
Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (Statement)	May 26, 2006	376
Official Committee of Holders of Executory Rights through USACMC (Omnibus Response)	May 30, 2006	406
Official Committee of Unsecured Creditors of USACM (Omnibus Response)	June 9, 2006	566
<b><u>Reply Filed By:</u></b>	<b><u>Date</u></b>	<b><u>Docket No.</u></b>
Direct Lenders-Beneficiaries	June 13, 2006	627

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 19           3. **Motion To Compel Debtor To Continue To Forward Lender Payments to**  
 20 **Direct Lenders; Motion To Delay Or Prohibit Appraisals On Performing Loans** (Affects  
 21 USA Commercial Mortgage) (the “Direct Lender Compel Motion”) filed by Janet L. Chubb on  
 22 behalf of Direct Lenders. The Direct Lender Compel Motion moves the Court to Order Debtor  
 23 USA Commercial Mortgage, as servicing agent, to continue to forward all borrower payments to  
 24 the Direct Lenders on all performing loans. The Direct Lenders also move for an order that delays  
 25 or prohibits USA Commercial from appraising properties securing performing loans, unless USA  
 26 Commercial agrees not to surcharge Direct Lenders for appraisal costs.

Opposition Filed By:	Date	Docket No.
Stanley Alexander Trust, et al (Joinder)	May 22, 2006	319

1	USA Commercial Mortgage	May 26, 2006	374
2	Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (Statement)	May 26, 2006	376
5	Official Committee of Holders of Executory Rights through USACMC (Omnibus Response)	May 30, 2006	406
7	Lou Maldonado	June 2, 2006	445
8	Official Committee of Unsecured Creditors For USA Commercial Mortgage Company (Omnibus Response)	June 9, 2006	573
11	<b><u>Reply Filed By:</u></b>	<b><u>Date</u></b>	<b><u>Docket No.</u></b>
12	Direct Lenders-Beneficiaries	June 13, 2006	626

14           4. **Application To Employ Sierra Consulting Group, LLC As Financial Advisors To**  
 15           **The Official Unsecured Creditors' Committee For USA Commercial Mortgage Pursuant To**  
 16           **Fed. R. Bankr. P. 2014(A) For Order Under Section 1103 Of The Bankruptcy Code** (the  
 17           “Sierra Employment Motion”) filed By Rob Charles on behalf of Official Committee Of  
 18           Unsecured Creditors For USA Commercial Mortgage Company.

19	Opposition Filed By:	Date	Docket No.
20	Official Committee of Direct Lenders	July 28, 2006	1029
21	<b><u>Reply Filed By:</u></b>	<b><u>Date</u></b>	<b><u>Docket No.</u></b>
22	Official Committee of Unsecured Creditors for USA Commercial Mortgage	July 31, 2006	1057

25           5. **Motion Directing Payments To Direct Lenders** (the “Direct Lender Motion”) filed  
 26 by David Mincin on behalf of Richard McKnight. The Direct Lender Motion seeks an order of the  
 27 Court directing Debtors to pay all sums that become due the McKnight Trust and other parties that  
 28 made direct loans to borrowers.

1	Opposition Filed By:	Date	Docket No.
2	Official Committee of Holders of Executory Contract Rights through USA Commercial Mortgage Company (Response)	May 30, 2006	406
5	Debtors	June 7, 2006	520

6           **6. Motion For Order Approving Continued Use Of Cash Through July 29, 2006**

7           **Pursuant To Second Revised Budget (Affects All Debtors)** (the “Continued Cash Motion”)  
 8 filed by Debtors. The Continued Cash Motion requests that the Court enter an order approving the  
 9 Debtors’ continued use of cash through the week ending July 29, 2006. See Debtors’ Amended  
 10 13-Week Cash Forecast filed on June 9, 2006. An Order Approving Continued Use of Cash  
 11 Through August 6, 2006 Pursuant To Third Revised Budget was entered on July 25, 2006.  
 12

13	Opposition Filed By:	Date	Docket No.
14	Jones Vargas’ Direct Lenders (Conditional Opposition)	6/14/06	647
15	Official Committee of Equity Security Holders of USA Capital Diversified Trust Deed Fund, LLC and Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (Joint Limited Opposition)	6/14/06	654
21	Official Committee of Holders of Executory Contract Rights through USA Commercial Mortgage Company	6/14/06	658
24	Response: Debtors (Fifth Supplemental Declaration of Thomas J. Allison In Support of Motions)	6/20/06	750

27           ///  
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1           7. **Application For Administrative Order Establishing Procedures For Interim**  
 2 **Compensation And Reimbursement of Expenses of Professionals (Affects All Debtors)** filed  
 3 by Debtors. This Motion requests that an order of the Court establishing a procedure for the  
 4 payment of interim compensation and the reimbursement of expenses of certain professionals  
 5 retained by the Debtors and the official committees in these jointly administered cases.

6 Opposition Filed By:	7 Date	8 Docket No.
7 Official Committee of Unsecured Creditors for USA Commercial Mortgage (JOINDER)	8 June 19, 2006	9 697
9 Official Committee of Equity Security Holders of USA Capital Diversified Trust Deed Fund, LLC and	10 July 28, 2006	11 1039
11 Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (JOINT RESPONSE)	12	13
14 <u>Reply Filed By:</u>	15 <u>Date</u>	16 <u>Docket No.</u>
17 Debtors	18 August 2, 2006	19 1089

20           8. **Motion For Order Approving Continued Use Of Cash Through October 29,**  
 21 **2006 Pursuant To Second Revised Budget (Affects All Debtors)** (the "Continued Cash  
 22 Motion") filed by Debtors. The Continued Cash Motion requests that the Court enter an order  
 23 approving the Debtors' continued use of cash through the week ending October 29, 2006.

24 Opposition Filed By:	25 Date	26 Docket No.
27 Official Committee of Equity Security Holders of USA Capital Diversified Trust Deed Fund, LLC and	28 July 27, 2006	29 988
30 Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (JOINT OPPOSITION)	31	32
33 Official Committee of Unsecured Creditors for USA Commercial Mortgage	34 July 27, 2006	35 992

1	(LIMITED OPPOSITION)		
2	Official Committee of Holders of Executory Contract Rights through USA Commercial Mortgage Company	July 27, 2006	997
3			
4	<b><u>Reply Filed By:</u></b>	<b><u>Date</u></b>	<b><u>Docket No.</u></b>
5	Debtors (Declaration of Thomas J. Allison In Support of Motions To Be Heard On August 4, 2006)	August 2, 2006	1090
6			
7			
8	Debtors	August 2, 2006	1091
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10           9.        **Debtors' Motion To Distribute Funds And To Grant Ordinary-Course**

11       **Releases And Distribute Proceeds (Affects USA Commercial Mortgage, USA Capital**

12       **Diversified Trust Deed Fund, And USA Capital First Trust Deed Fund**) (the "Distribute

13       Funds Motion") filed by Debtors. In this Motion, the moving Debtors request an order authorizing  
 14       USA Commercial Mortgage Company ("USA") to distribute certain funds held in USA's  
 15       collection account to direct lenders, and authorizing USA Capital Diversified Trust Deed Fund,  
 16       LLC and USA Capital First Trust Deed Fund, LLC to further distribute certain funds to their  
 17       respective fund members. USA seeks permission to distribute promptly to Direct Lenders a  
 18       substantial portion of the funds currently held in the Collection Account.

19	Opposition Filed By:	Date	Docket No.
20	Stanley Alexander, et al. (Partial Opposition)	July 19, 2006	905
21	Boise Gowan (Response)	July 21, 2006	936
22	Kantor Group (Limited Objection)	July 27, 2006	985
23	JV Direct Lenders (Partial Opposition)	July 27, 2006	986
24	Official Committee of Equity Security Holders of USA Capital Diversified Trust Deed Fund, LLC (Limited Opposition)	July 27, 2006	987
25			
26			
27			
28	Prospect High Income Fund	July 27, 2006	991
	Official Committee of Unsecured Creditors for USA	July 27, 2006	995

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	<u>Reply Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
1	Commercial Mortgage (Response)		
2	Norman Kiven (Response)	July 27, 2006	999
3	Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (Response)	July 27, 2006	1000
4	Mantas Group (Joinder in Alexander Opposition)	July 27, 2006	1001
5	U.S. Trustee (Limited Opposition)	July 27, 2006	1005
6	Official Committee of Holders of Executory Contract Rights through USA Commercial Mortgage Company	July 28, 2006	1042
7	Canepa Group (Joinder in Limited Opposition)	July 28, 2006	1044
8	Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (Omnibus Reply to Responses)	August 2, 2006	1084
9	Official Committee of Equity Security Holders of USA Capital Diversified Trust Deed Fund, LLC (Motion to Strike First Trust Deed Fund's Sur-Reply)	August 2, 2006	1088
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21	Debtors (Declaration of Thomas J. Allison In Support of Motions To Be Heard On August 4, 2006)	August 2, 2006	1090
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23			
24	Debtors	August 2, 2006	1092
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26	/ / /		
27	/ / /		
28	/ / /		

1           10.     **Motion For Relief From Automatic Stay** filed by Hale Lane Peek Dennison and  
2 Howard on behalf of Rolland Weddell and Spectrum Financial Group. A stipulation and order  
3 continuing the hearing on this Motion to August 16, 2006 was entered on August 2, 2006.  
4 Respectfully submitted this 3<sup>rd</sup> day of August, 2006.

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6

/s/     *Jeanette E. McPherson*

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